



Chief Information Officer's Section
Office of the Governor
State of Utah

June 11, 2003

Information Technology Vendor Guide

INTRODUCTION

This brief information technology vendor guide is designed to share with vendors the methods governing the sale of products and services to the State of Utah. This guide is a brief overview. More detail is available from the Division of Purchasing in *A Vendor's Guide to Doing Business with the State of Utah*, which is available from the Division at <http://purchasing.utah.gov/vendor/Vendorgd.pdf>.

The foundation of the State's procurement process is found in the Utah Procurement Code (63-56 Utah Code Annotated). Specific rules governing procurement have been established by the Utah Procurement Policy Board and may be found in the Utah Administrative Code (Section R33). Fair and open competitive bidding provides the basis for the State's procurement process.

SMALL PURCHASES

State agencies are authorized to make small purchases (less than \$5,000), for goods or services that are not on a contract, without involvement of the Division of Purchasing. The agency obtains price quotations and directly makes the award. It should be noted, however, that agencies may not purchase goods or services that are on term statewide contracts from other than the term contract supplier(s). If you believe your firm may be able to supply particular goods or services within this small purchase category, you should contact appropriate agencies directly.

CONSULTING SERVICES

Information technology consulting services are provided to agencies through competitive bid or under an existing State contract for services from multiple vendors. For information relative to bidding on these or other IT professional services, please see the heading "PURCHASING'S AUTOMATED NOTIFICATION SYSTEM (PENS)".

CONTRACT TYPES

There are several types of contracting methods used by the State in making purchases. The purchasing agent selects the appropriate type from among the following types most often used:

Purchase Order: Used when making one time or spot purchases. Purchase requirements are clearly described on the solicitation or purchase order.

Statewide Contract (PD): This is a term contract established for items purchased by multiple state agencies, institutions of higher education, school districts, and other political subdivisions of the State. Consolidating these purchases generally results in volume savings and reduced administrative time and costs. In addition to the PD contracts there are multiple award contracts (MA), master contracts (MC) and authorization-required contracts (AR).

Statewide Price Agreement (PA): These are similar to the PD contracts, but are usually negotiated agreements with sole source suppliers. Agencies have the option to use or not use these agreements.

Agency Contract: This method is used when the product or service is specific for the needs of one agency, and is not in demand by other agencies.

PROCUREMENT METHODS

The Division of Purchasing uses three basic types of source selection methods:

Request for Quotation (RFQ): This method utilizes an informal solicitation for small purchases not exceeding an aggregate amount of \$50,000. Written, fax or telephone quotations may be used. Vendors are strongly encouraged to provide an immediate response to an RFQ since the period of time is short and awards are usually prompt.

Invitation for Bid (IFB): This is a formal competitive bidding process used for purchases exceeding \$50,000. Notice of the IFB is supplied to all suppliers on the Division's Automated Notification System (PENS). The IFB contains specifications, contractual terms and conditions and the evaluation criteria for award. Bids are opened publicly at the time and place designated in the IFB. The contract is awarded to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria set forth in the IFB.

Request for Proposal (RFP): The competitive sealed proposal process is used when the procurement officer determines that the RFP process is more advantageous to the State than the IFB process. The RFP process is used when the needs of the state agency may not be completely clear, negotiations may be necessary, and cost is just one of several criteria necessary to make an award. Usually the RFP process is used to procure professional or human services or information technology equipment.

PURCHASING'S AUTOMATED NOTIFICATION SYSTEM (PENS)

The Division maintains a list of prospective bidders for each commodity item. Every registered bidder will receive an email notification of all IFB/RFPs for items listed on the bidder's approved Vendor Application for Registration. Manufacturers, suppliers and others desiring to furnish supplies, materials, services and equipment to the State may register for PENS at www.purchasing.utah.gov/subscriptions/default.asp. There is a small annual fee for this service.

FINDING INFORMATION ON EXISTING CONTRACTS

The Division of Purchasing provides search capabilities and contract summary information for existing State contracts at <http://www.purchasing.utah.gov/bidprocessing/ContractSearch.asp>.

COOPERATIVE PURCHASING

Utah statutes provide that statewide contracts administered by the Division may be extended to political subdivisions. Examples of political subdivisions are: state colleges and universities, school districts, municipalities, counties, etc. Whenever these entities elect to purchase under a statewide contract, they are not required to obtain additional bids and contact the contract vendor directly. When utilizing these contracts, the governmental entities are responsible for issuing the purchase order and processing payment.

PRINCIPLES AND STANDARDS OF CONDUCT

The Division subscribes to the Principles and Standards of Purchasing Practices advocated by the Institute for Supply Management. Through these principles, the Division subscribes to honesty and truth in buying and selling. Under Utah law it is a felony for suppliers to offer, or for anyone acting as a procurement officer accepting gifts or gratuities. Please see 63-56-72 and 73 Utah Code Annotated (<http://purchasing.utah.gov/legal/code.htm>)

ADDITIONAL INFORMATION

For additional information refer to the Division of Purchasing Web site at <http://purchasing.utah.gov>. For questions or suggestions on the content of this Guide contact Bob Woolley at bwoolley@utah.gov or Glendon Mitchell at gmitchell@utah.gov.